

Agenda Item No. 3.1
For Agenda of 2.28.06



Tigard City Council Meeting Minutes

Date: January 17, 2006
Time: 6:36 p.m.
Place: Tigard City Hall, 13125 SW Hall Boulevard
Tigard, Oregon
Attending: Mayor Craig Dirksen Presiding
Councilor Sally Harding
Councilor Sydney Sherwood
Councilor Nick Wilson
Councilor Tom Woodruff

Agenda Item	Discussion & Comments	Action Items (follow up)
Workshop Meeting	<p>1.1 Mayor Dirksen called the City Council and the Local Contract Review Board to Order at 6:36 p.m.</p> <p>1.2 Council Present: Mayor Dirksen, Councilors Harding, Sherwood, Wilson, and Woodruff.</p> <p>1.3 Pledge of Allegiance</p> <p>1.4 Council Communications & Liaison Reports:</p> <p>Councilor Sherwood announced that some public facilities projects will be funded by the Community Development Block Grant program. Requests for funding from this program far exceeded the amount available. She advised that the Garrett Street sidewalk will be funded.</p> <p>1.5 Call to Council and Staff for Non-Agenda Items</p> <p>An Executive Session was held at the end of the meeting.</p>	

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2. Budget Committee Meeting	<p>Budget Committee Members Present: Mayor Dirksen, Councilor Harding, Councilor Sherwood, Councilor Wilson, Councilor Woodruff, Rick Parker, Katie Schwab, Jason Snider, and Susan Yesilada.</p> <p>Interim Finance Director Imdieke introduced this agenda item.</p> <p>Budget Amendments - Finance Analyst Wareing reviewed budget amendments, year to date. A copy of the list of the amendments is on file in the City Recorder's office.</p> <p>Financial Results – First Half of FY 2005-06 - Interim Finance Director Imdieke reviewed the City's financial status for the first half of this fiscal year. A copy of the 2005-2006 Budget to Actual summary is on file in the City Recorder's office. Revenues, including franchise fees to be received should be on target. Expenditures are less than 50% spent except for Social Services (because of timing of the release of funds after application) and the Mayor/Council budget (because League of Oregon Cities and National League of Cities dues are paid at the beginning of the fiscal year). The General Fund is "coming in on target"; in fact, there may be \$1 million more at the end of the fiscal year than what was projected because more revenue is coming in and expenditures have been kept under control.</p> <p>Mayor Dirksen suggested that to make the summary more realistic, anticipated revenue could be shown. Interim Finance Director Imdieke said he could put together another summary, with the figures based on historical patterns.</p> <p>Financial Forecast for the Period FY 2006-07 through FY 2010-11 – Interim Finance Director Imdieke's remarks were highlighted with a PowerPoint presentation. A copy of this presentation is on file in the City Recorder's office. Interim Finance Director Imdieke and City Manager Prosser commented that the projected deficit occurs in 2009-10, which is a year later than earlier</p>	

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	<p>calculations due to an optimistic economy, tighter controls and continuing efforts to push the deficit out a year.</p> <p>It was pointed out that the public's perception may be that, with new construction activity on large developments, the City experiences a revenue "windfall." However, under the current tax system, new construction is not taxed at 100% of its value; it is taxed at 70% which is the average of what others are paying in property taxes based on valuation.</p> <p>Interim Finance Director Indieke reviewed the forecast for road funds noting that expenditures projected for capital improvements represent only what the City thought it could afford and not the total need.</p> <p>In his review of the parks fund, Interim Finance Director Indieke advised there is a need to identify non-System Development Charge (SDC) revenues to fund parks since SDC's cannot be used for park improvements. The Parks and Recreation Advisory Board (PRAB) and staff are looking at non-SDC funding sources to use as leverage to purchase park properties.</p> <p>Interim Finance Director Indieke reviewed the status of development funds and noted that in the urban services area a one-year operating reserve is maintained in the event there is a downturn in the economy. The last major fee increase associated with development funds was in 2000.</p> <p>The status of the water fund might change, depending on the City's decision on what option to pursue for a long-term water supply.</p> <p>Interim Finance Director Indieke advised that the capital funds are decreasing in the sewer funds because of the sewer reimbursement program; however, that fund will start to rebuild when property owners sign on for sewer service. The challenge in this area is to make sure that Clean Water Services (CWS) continues to make rate adjustments from which the City will receive a</p>	

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	<p>proportionate share for operations and capital projects. City Manager Prosser advised that after the last three or four CWS rate increases, revenues to cities were reduced as CWS is using the increases for debt service for the expansion of treatment facilities.</p> <p>There was discussion of the traffic impact fees, which are projected to decrease.</p> <p>City Manager Prosser advised that the financial forecast will continue to be updated.</p> <p>Financial Strategy Task Force – Interim Finance Director Imdieke advised the Task Force will receive the updated financial information to be incorporated into the report to be presented to the City Council in a February workshop meeting. The citizen members of the Budget Committee will be asked to attend that workshop meeting.</p> <p>Social Services – Financial Analyst Wareing noted that grant applications were recently mailed out. The review schedule for the subcommittee for social services and community events was outlined.</p>	<p>Rick Parker, Sue Yesilada, and Nick Wilson will serve on the Social Services Subcommittee.</p>
<p>3. Commuter Rail Station Enhancements</p>	<p>Interim Community Development Director Coffee, Senior Planner Nachbar, and TriMet Representative Witter reviewed this agenda item with the City Council. The staff report, background information and cost comparison information, which was reviewed and discussed by the City Council, is on file in the City Recorder's office.</p> <p>As part of the overall program for Commuter Rail Station improvements, TriMet budgets and provides funding for a set of basic improvements common to all stations that includes a rail station platform, a shelter, a park and ride facility and certain landscape improvements.</p> <p>Council discussion included:</p>	<p>After lengthy discussion and a review of the options, Council directed staff to prepare a resolution for Council's consideration which will support the "Interstate Design" for the shelter and to earmark needed funds in the General Fund budget. Mr. Witter noted that three benches per platform were included in TriMet's design and that TriMet could arrange to pour another footing at the time the Tigard station is completed so the structure</p>

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	<ul style="list-style-type: none"> • A review of TriMet's proposed station design option. • A review of the recommendation of the design as originally proposed by the Downtown Task Force. • TriMet now scaling back to a lower-cost prefabricated station structure to realign estimated costs and budget. As time goes by, costs escalate, which impacts what can be done with the available funding. • Review of aesthetics and available budget. • Review of commuter rail passenger comfort: benches, windscreens for protection from weather, and length of wait between trains. • TriMet's shelter design is basically a "cover." • Disappointment expressed with the reduction from the original design proposed by the Downtown Task Force. • The station is the initial project to improve the downtown, so it is important to set the tone and demonstrate the types of improvements desired. • Discussed projected commuter rail ridership. • Viewpoint expressed that the shelter design will not keep people from riding the commuter rail; keep the station functional and fund less costly aesthetic improvements. • Of the \$150,000 currently allocated for the downtown, \$75,000 has been earmarked by the City for the station. 	<p>could be expanded later. Tigard contributions to station funding will need to be available the latter part of 2007.</p>
4. Annexation Policy	<p>The following staff members participated in this discussion with the City Council: Interim Community Development Director Coffee, Planning Manager Bewersdorff, and Associate Planner Pagenstecher.</p> <p>Discussion highlights included the following:</p> <ul style="list-style-type: none"> • Overview of annexation background with previous stance by Washington County that cities should provide urban services and that the City of Tigard would expand into its urban service area. • Factors affecting annexation: 	

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	<ul style="list-style-type: none"> ○ Comprehensive Plan ○ Intergovernmental agreements with Washington County ○ State law ○ City of Tigard Development Code ○ Consents to annexation ○ Current administrative policy ○ Bull Mountain annexation vote in 2004. ● Referenced two letters received from State Representative Jerry Krummel; evaluation is needed. ● Reviewed options of City Council (see January 3, 2006 memorandum from Interim Community Development Director Coffee and Associate Planner Pagenstecher regarding City of Tigard annexation policy). Options were for the City of Tigard to be 1) aggressive, 2) proactive, 3) reactive, or 4) inactive. ● Areas in unincorporated county that are already developed have no incentives to annex. ● The City of Tigard currently annexes in the “reactive” mode; if the City continues this policy, it is unlikely the City’s boundaries will ever extend to the urban services boundary. ● If the City chooses a proactive policy, State law allows the City to annex islands. Initiating island annexations has not been the practice of the City. ● An aggressive annexation policy, including cherry-stem annexations is not politically palatable. ● A suggestion was made that the City consider its boundaries to be essentially set. ● The Comprehensive Plan update is now underway. Boundaries will be a consideration. ● An observation was made that it is a struggle to quantify the alternatives for annexation options. If a new City is formed on Bull Mountain – a real City that is self-sustaining with services such as a library and parks – there would be less concern. Also unknown is whether the new City would extend to the urban growth boundary. ● There are positives for each of the annexation policy options. In the long-term view, the question is which is the correct decision? There was concern expressed that development might 	

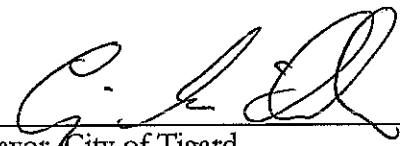
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	<p>occur that will prove to be detrimental.</p> <ul style="list-style-type: none"> • There was no support expressed for cherry-stem annexations (aggressive policy) in order to facilitate potential annexation of areas 63 and 64. • The proactive annexation policy appears to be beneficial in that it would bring undeveloped parcels into the City. • A decision should be made about the City's planning area relating to the Comprehensive Plan update. It was suggested that the City plan for undeveloped areas so if these areas come into the City, the planning would be done. • Density requirements in the urban growth boundary would be no different whether the property is in or out of the City. If the property was located in the City, density could be transferred to the downtown or the Washington Square areas. • There was mention of a policy decision that would be needed on property owned outside the City (Cache Creek property). Options would include: 1) keep the area as an extra-territorial park, 2) sell the property, 3) give the property to another city. • It was noted that the Tigard constituency does not appear to support aggressive or even proactive annexations. Tigard citizens appear to be more in favor with what the City is doing now, which is a reactive policy (wait for parcels to ask to be annexed). • Interim Community Development Director Coffee suggested a systematic review of the City's boundary. • Mayor Dirksen said he supports double or triple majority annexations. • Councilor Woodruff supported the democratic process of annexing those properties where property owners have indicated they want to come into the City. • Councilor Harding suggested the City take a time out and let others explore their options. If a property owner asks to be annexed and if the property is contiguous to the current City boundaries, then she would support the annexation request. 	

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	<ul style="list-style-type: none"> • The Comprehensive Plan, Washington County intergovernmental agreements, and the Bull Mountain Community Plan all indicate that the City of Tigard should be the ultimate service provider for the urban services area. • There was a suggestion that it might be time to review the Washington County intergovernmental agreements. In response to the discussion, City Manager Prosser advised the funds received by the City from the County cover the costs of the services provided by the City as outlined in the intergovernmental agreements. • It was suggested that the City Council would know more in about a year, once it is known whether a new city will be formed on Bull Mountain. • Councilor Wilson pointed out that the vision established 30 years ago regarding urban services does not appear to have any possibility of working. • Interim Community Development Director Coffee suggested that Goal 14 will be addressed during the Comprehensive Plan review; the “mechanisms” have not happened. Tigard’s area of interest may be redefined. The current practice for annexation will continue. • The City Council talked of annexation incentives. There was no support at this time to offer a phase-in of taxes; however, the City Council might consider waiving the fee for annexation. 	
	<p>Meeting recessed: 9:26 p.m. Meeting reconvened: 9:35 p.m.</p>	
5. Mayor and Council Budget	<p>Assistant to the City Manager Newton reviewed with the City Council the preliminary Mayor and Council FY 06-07 Budget request as prepared by Administration Department staff.</p> <p>There was discussion about the majority of the League of Oregon Cities dues being shown as an expenditure in the Council’s budget.</p>	<p>Staff will prepare a cost allocation model for League of Oregon Cities dues.</p>

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	The performance audit will be added to next year's Council budget. There was discussion about the scope of the audit, which will set up a review of City policies, procedures, and operations.	At the request of Councilor Woodruff, staff will prepare budget information showing what was budgeted in 05-06 along with the Budget request for 06-07.
6. Executive Session	The Tigard City Council went into Executive Session at 9:52 p.m. to discuss potential litigation under ORS 192.660(2)(h).	
7. Adjournment	The meeting adjourned at 10:13 p.m.	<p>Motion by Councilor Woodruff, seconded by Councilor Wilson, to adjourn meeting.</p> <p>The motion was approved by a unanimous vote of the City Council present:</p> <p>Mayor Dirksen: Yes Councilor Harding: Yes Councilor Sherwood: Yes Councilor Wilson: Yes Councilor Woodruff: Yes</p>


Catherine Wheatley, City Recorder

Attest:



Mayor, City of Tigard

Date: 2.28.06